

ASSEMBLY BILL

No. 921

Introduced by Assembly Member Daucher

February 18, 2005

An act to amend Section 33670 of, and to add Section 33333.12 to, the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 921, as introduced, Daucher. Redevelopment.

Existing law requires a redevelopment plan to contain a time limit, not to exceed 30 years from the adoption of the plan, on the effectiveness of the plan, after which a redevelopment agency has no authority to act pursuant to the plan except to pay previously incurred indebtedness and to enforce existing covenant or contracts, unless the agency has not completed its affordable housing obligations in which case the agency retains its authority in that regard. Existing law requires a redevelopment plan adopted on or before December 31, 1993, to terminate not more than 40 years from the adoption of the plan or January 1, 2009, whichever is later and authorizes the amendment of that plan to extend this time limit for up to 10 additional years.

This bill would authorize a redevelopment agency to amend its redevelopment plan to extend the time limit on the plan's effectiveness for an additional 25 years without making a new finding of blight. During this 25 year extension, the amount of taxes allocated to an agency would be 50% of the amount that would otherwise be allocated to the agency. The bill would authorize the agency to use a maximum of 40% of the amount allocated to an agency during this 25 year extension for infrastructure improvements that have a general nexus to the production of market-priced or affordable housing. Of

the amount allocated to an agency during this 25 year extension, the bill would require the agency to use a minimum of 60% of the amount allocated to an agency during this 25 year extension to increase, improve, and preserve market-priced and affordable housing.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 33333.12 is added to the Health and
2 Safety Code, to read:
3 33333.12. Notwithstanding Sections 33333.2, 33333.6, and
4 33333.10, a redevelopment agency may amend its redevelopment
5 plan to extend the time limit on the plan's effectiveness for an
6 additional 25 years without making a new finding of blight. Of
7 the amount allocated to an agency pursuant to Section 33670
8 during this 25 year extension, the agency may use a maximum of
9 forty percent for infrastructure improvements that have a general
10 nexus to the production of market-priced or affordable housing.
11 Of the amount allocated to an agency pursuant to Section 33670
12 during this 25 year extension, the agency shall use a minimum of
13 sixty percent to increase, improve, and preserve market-priced
14 and affordable housing.
15 SEC. 2. Section 33670 of the Health and Safety Code is
16 amended to read:
17 33670. Any redevelopment plan may contain a provision that
18 taxes, if any, levied upon taxable property in a redevelopment
19 project each year by or for the benefit of the ~~State of California~~
20 *state*, any city, county, city and county, district, or other public
21 corporation (hereinafter sometimes called "taxing agencies")
22 after the effective date of the ordinance approving the
23 redevelopment plan, shall be divided as follows:
24 (a) That portion of the taxes which would be produced by the
25 rate upon which the tax is levied each year by or for each of the
26 taxing agencies upon the total sum of the assessed value of the
27 taxable property in the redevelopment project as shown upon the
28 assessment roll used in connection with the taxation of that
29 property by the taxing agency, last equalized prior to the
30 effective date of the ordinance, shall be allocated to and when
31 collected shall be paid to the respective taxing agencies as taxes

by or for the taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory in a redevelopment project on the effective date of the ordinance but to which that territory has been annexed or otherwise included after that effective date, the assessment roll of the county last equalized on the effective date of the ordinance shall be used in determining the assessed valuation of the taxable property in the project on the effective date); and

(b) Except as provided in subdivision (e) or in Section 33492.15, that portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the redevelopment agency to finance or refinance, in whole or in part, the redevelopment project. Unless and until the total assessed valuation of the taxable property in a redevelopment project exceeds the total assessed value of the taxable property in that project as shown by the last equalized assessment roll referred to in subdivision (a), all of the taxes levied and collected upon the taxable property in the redevelopment project shall be paid to the respective taxing agencies. When the loans, advances, and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the redevelopment project shall be paid to the respective taxing agencies as taxes on all other property are paid.

(c) In any redevelopment project in which taxes have been divided pursuant to this section prior to 1968, located within any county with total assessed valuation subject to general property taxes for the 1967–68 fiscal year between two billion dollars (\$2,000,000,000) and two billion one hundred million dollars (\$2,100,000,000), if the total assessed valuation of taxable property within the redevelopment project for the 1967–68 fiscal year was reduced, the total sum of the assessed value of taxable property used as the basis for apportionment of taxes under subdivision (a) shall be reduced by 10 percent for the 1968–69 fiscal year and fiscal years thereafter.

1 (d) For the purposes of this section, taxes shall not include
2 taxes from the supplemental assessment roll levied pursuant to
3 Chapter 3.5 (commencing with Section 75) of Part 0.5 of
4 Division 1 of the Revenue and Taxation Code for the 1983–84
5 fiscal year.

6 (e) That portion of the taxes in excess of the amount identified
7 in subdivision (a) which are attributable to a tax rate levied by a
8 taxing agency for the purpose of producing revenues in an
9 amount sufficient to make annual repayments of the principal of,
10 and the interest on, any bonded indebtedness for the acquisition
11 or improvement of real property shall be allocated to, and when
12 collected shall be paid into, the fund of that taxing agency. This
13 subdivision shall only apply to taxes levied to repay bonded
14 indebtedness approved by the voters of the taxing agency on or
15 after January 1, 1989.

16 (f) *A redevelopment agency that extends the effectiveness of its*
17 *redevelopment plan pursuant to Section 33333.12 shall receive,*
18 *during the period of extension, 50 percent of the amount that*
19 *would otherwise be allocated to the agency pursuant to this*
20 *section.*